

STATE OF DELAWARE PUBLIC SERVICE COMMISSION

861 SILVER LAKE BOULEVARD CANNON BUILDING, SUITE 100 DOVER, DELAWARE 19904

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March 18, 2014

MEMORANDUM

TO:

Members of the Commission

FROM:

Clishona Marshall, Public Utilities Analyst @

SUBJECT:

COMPLIANCE FILING IN THE MATTER OF THE APPLICATION OF DELMARVA

POWER & LIGHT COMPANY FOR APPROVAL OF QUALIFIED FUEL CELL

PROVIDER PROJECT TARIFFS (FILED February 26, 2014) -

PSC DOCKET NO. 14-49-2

On July 7, 2011, the Governor of the State of Delaware signed into law Amendments (the "Amendments") to the Renewable Energy Portfolio Standards Act (the "REPSA") that added Delaware-manufactured fuel cells to the REPSA and allowed energy output from such fuel cells to be considered a resource eligible to fulfill a portion of a Delaware Public Service Commission-regulated electric company's renewable energy credit requirements under REPSA.

The Amendments created a regulatory framework whereby the Commission-regulated electric company, Delmarva Power & Light Company ("Delmarva"), and the Qualified Fuel Cell Provider ("QFCP")¹ will jointly submit tariffs that enable and obligate Delmarva, as the agent for collection and disbursement, to collect from its customers a non-bypassable charge ("QFCP-RC Charge") for costs incurred for incremental site preparation, filing, administrative and other costs incurred by the QFCP. The QFCP-RC Charge is reduced by compensation to the Qualified Fuel Cell Provider Project ("QFCPP") for any revenues received from PJM or its successors at law from the output of the QFCPP.

On August 19, 2011, in PSC Docket No. 11-362, Delmarva filed an application for approval of a new electric tariff for Service Classification QFCP-RC ("Electric Tariff") and a new gas tariff for Service Classification LVG-QFCP-RC pursuant to the Amendments. On October 18, 2011, the Commission issued Order No. 8062 which approved this tariff filing. On December 1, 2011, the Commission signed Order No. 8079, which, among other things, adopted Order No. 8062. Pursuant to the Electric Tariff, Delmarva is serving in its mandatory role as a collection agent for the QFCP. In compliance with the Electric Tariff, Delmarva will provide monthly filings to account for the varying QFCP-RC Charge.

¹ All references to capitalized terms are set forth in 26 Del. C. §352.

On April 2, 2012, Delmarva submitted its first monthly filing ("Compliance Filing") as required by its Commission-approved Electric Tariff filed in PSC Docket No. 11-362. By Order No. 8136, the Commission permitted the May 2012 QFCP-RC Charge to take effect and required Delmarva to provide to Staff, with each future Compliance Filing under the REPSA, all documents that Staff requested from Delmarva as part of its review of the prior Compliance Filing.

On February 26, 2014, Delmarva submitted its twenty-fourth Compliance Filing, including the typical charges and calculations. In addition, the reconciliation factors (true-ups) of the January billing revenues, January PJM energy revenues, and January operational costs were included in the QFCP-RC Charge. The rates for each customer classification are provided below:

April 2014 QFCP-RC Charge										
Service Classification	\$ per kWh	Change from Previous Month								
Residential	\$ 0.005982	0.000505								
Residential – Space Heating	\$ 0.005982	0.000505								
Residential Time-of-Use "R-TOU"	\$ 0.005982	0.000505								
Residential Time-of-Use NON-Demand "R-TOU-ND"	\$ 0.005982	0.000505								
Small General Service - Secondary Non-Demand "SGS-ND"	\$ 0.005982	0.000505								
Space Heating Secondary Service "SGS-ND" and "MGS-S"	\$ 0.005982	0.000505								
Water Heating Secondary Service "SGS-ND" and "MGS-S"	\$ 0.005982	0.000505								
Outdoor Recreational Lighting Svc - Secondary "ORL"	\$ 0.005982	0.000505								
Medium General Service - Secondary "MGS-S"	\$ 0.005982	0.000505								
Large General Service - Secondary "LGS-S"	\$ 0.005982	0.000505								
General Service - Primary "GS-P"	\$ 0.005851	0.000494								
General Service - Transmission "GS-T"	\$ 0.005747	0.000485								
Outdoor Lighting PL	\$ 0.005982	0.000505								
Outdoor Lighting SL	\$ 0.005982	0.000505								

26 Del. C. §364 (d) (4) provides as follows: "Notwithstanding § 306 of this title or any other provision of the Delaware Code to the contrary, any changes in rates or charges necessary to collect funds for disbursements or costs addressed in subsections (a)-(c) of this section through adjustable non-bypassable charges shall become effective 30 days after filing, absent a determination of manifest error by the Public Service Commission. The Commission may allow changes in rates or charges related to such adjustable non-bypassable charges to become effective less than 30 days after filing under such conditions as it may prescribe."

Delmarva has developed communications on renewable energy and alternative energy, including bill inserts and talking points for Delmarva call center employees. Detailed information on the Qualified Fuel Cell Provider Project can be found in Delmarva's Electric Tariff (QFCP-RC Leaf No. 74 -74r).

Staff performed a review of the calculations and the QFCP-RC Charge provided in the Compliance Filing dated February 26, 2014 and could not find any manifest errors at this time. Staff notes that in the January Monthly Operating Report Attachment 5, Diamond State Generation Partners LLC,

Members of the Commission Docket No. 14-49-2 Page 3 of 3

("QFCPP")² has submitted information claiming force majeure³ interruption events due to low gas pressure. Delmarva is currently conducting an investigation into the validity of these claims. Compensation related to these claims have not been disbursed to Diamond State Generation Partners LLC, nor included in any forecast filing. Staff recommends that the April 2014 QFCP-RC Charge be permitted to take effect for bills issued by Delmarva to its customers between March 28, 2014 and April 28, 2014.

Attachment A: QFCP-RC Charge - All Months

² An affiliate of Bloom Energy

³ See Delmarva Delaware Electric Tariff Leaf No.74h Section K and Leaf No. 74n Section Q

Attachment A

QFCP-RC Charge-All Months

Outdoor Lighting SL	Outdoor Lighting PL	General Service - Transmission "GS-T"	General Service - Primary "GS-P"	Large General Service - Secondary "LGS-S"	Medium General Service - Secondary "MGS-S"	Outdoor Recreational Lighting Svc - Secondary "ORL"	Water Reating Secondary Service "SGS-ND" and "MGS-S"	Space Heating Secondary Service "SGS-ND" and "MGS-S"	Small General Service • Secondary Non-Demand "SGS-ND"	Residential Time-of-Use NON-Demand "R-TOU-NO"	Residential Time-of-Use "R-TOU"	Residential Space Heating	Residential	Service Classification	
60	ç	s	co	ç	"	44	44	44	ço	49	44	4	40	₩	_
0.000143	0,000143	0,000137	0.000139	0.000143	0.000143	0.000143	0,000143	0.000143	0.000143	0.000143	0.000143	0.000143	0.000143	5 per kWh	May~12*
67															
0.000671	0.000671	0.000644	0.000656	0,000671	0.000671	0.000671	0,000671	0,000671	0,000671	0.000671	0,000671	0.000671	0.000671	S per kWh	Jun-12
₩	69	49	69	65	65	4	*	4	44	40	69				
0.000614	0.000614	0.000590	0,000601	0.000614	0,000614	0.000614	0.000614	0.000614	0.000614	0.000614	0.000614	0.000614	0.000614	S per kWh	Jul-12
69	44	64	₩	€A	€A	64	69	₩	64	Ø	4	W	4	ĸ	_
0.000604	0.000604	0.000580	0.000591	0.000604	0.000604	0.000604	0,000604	0.000604	0.000604	0.000604	0.000604	0.000604	0.000604	S per kWh	Aug-12
₩.	€4	Ç9	€9	49	4	()	44	49	44	€4	4	69	₩	64	
0.000823	0.000823	0.000791	0.000805	0.000823	0.000823	0.000823	0.000823	0.000823	0.000823	0.000823	0.000823	0.000823	0.000823	per kWh	Sep-12
4	49	49	49	49	49	€4	*		69	€#	49	49	₩	۳	_
0.000671	0.000671	0.000645	0.000657	0.000671	0.000671	0.000671	0.000671	0.000671	0.000671	0.000671	0.000671	0.000671	0.000671	S per kWh	Oct-12
44	44	44	ŧΑ	44	44	44	44	44	44	4	44	44	44		
0.001082	0,001082	0.001039	0.001058	0.001082	0.001082	0.001082	0.001082	0.001082	0.001082	0.001082	0,001082	0.001082	0.001082	S per kWh	Vov-12**
44	44	64	₩.	₩	Ç.	₩	40	4	44	4	₩	€4	€6	۳	
0.001316	0,001316	0.001264	0.001287	0.001316	0.001316	0.001316	0.001316	0.001316	0.001316	0.001316	0.001316	0,001316	0.001316	per kWh	Dec-12

^{*} May QFCP-RC charges were based on 6 days of operation.
** 5.8 MW at Red Lion came on line in mid-December.

Residential Time-of-Use "R-TOU" Residential Time-of-Use "R-TOU" Residential Time-of-Use "R-TOU" Residential Time-of-Use NON-Demand "R-TOU-NID" Small General Service - Secondary Non-Demand "KGS-ND" Space Heating Secondary Service "KGS-ND" and "MGS-S" Water Heating Secondary Service "Secondary "NGS-S" Outdoor Recreational Lighting Svc - Secondary "CGS-S" Medium General Service - Secondary "MGS-S" General Service - Primary "KGS-S" General Service - Primary "KGS-S" General Service - Primary "KGS-T" Outdoor Lighting PL Outdoor Lighting SL	Service Classification
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argo General Service - Secondary "LGS-8" eineral Service - Primary "GS-P" eineral Service - Treasmission "GS-T" audoor Lighting PL

		.	0 0 T		n Ko
Outdoor Lighting PL Outdoor Lighting SL	Large General Service - Secondary "LGS-S" General Service - Primary "GS-P" General Service - Transmission "GS-T"	Water Heating Secondary Service "SGS-ND" and "MGS-S" Outdoor Recreational Lighting Svc - Secondary "ORL" Medium General Service - Secondary "MGS-S"	Residential Time-of-Use NON-Demand "R-TOU-ND" Small General Service - Secondary Non-Demand "SGS-ND" Space Heating Secondary Service "SGS-ND" and "MGS-S"	Residential Time-of-Use "R-TOU"	Service Classification
	ary "LGS-S" " "GS-T"	e "SGS-ND" and "MGS-S" /c - Secondary "ORL" idary "MGS-S"	amand "R-TOU-NO" ary Non-Demand "SGS-ND" "SGS-ND" and "MGS-S"		

Dec.																
Feb-13 Mar-13 App-13 May-13 May-13 Jun-13 Jun-14 Sep-14Wh Sep-14Wh<	4	€9	£A	4	69	64	*	4	49	69	€9	₩	49	64	k۸	
May-13 Ap-13 Ap-14 Ap-14 Ap-14 Ap-15 Ap-14 Ap-15 Ap-14 Ap-15 Ap-14 Ap-15 Ap-14 Ap-16 Ap-	0.001121	0.001121	0.001077	0.001096	0.001121	0.001121	0.001121	0.001121	0.001121	0.001121	0.001121	0.001121	0.001121	0.001121	per KWh	Jan-13
May-13 Ap-13 Ap-14 Ap-14 Ap-14 Ap-15 Ap-14 Ap-15 Ap-14 Ap-15 Ap-14 Ap-15 Ap-14 Ap-16 Ap-	4	4	4	69	63	€4	44	4	4	*	49	49	*	€9	ı٠	
Apr-13 May-13 Jun-13 Jun-13 Aug-13 Jun-13 Cert RVID Spert RVID Sper	0.001224	0.001224	0.001176	0.001197	0.001224	0.001224	0.001224	0.001224	0,001224	0.001224	0.001224	0.001224	0.001224	0.001224	per kWh	Feb-13
Apr-13 May-13 Jun-13 Jun-13 Aug-13 Jun-13 Cert RVID Spert RVID Sper	69	4	69	44	69	₩	49	49	(4)	69	₩	44	(A	44	ķφ	
Nay-13	0.001466	0.001466	0.001409	0.001434	0.001466	0.001466	0.001466	0.001466	0.001466	0.001466	0.001466	0.001466	0.001466	0.001466	per kWh	Mar-13
Nay-13	-64	44	69	49	49	64	44	44	4	64	4	69	ø	₩	~	
Number N	0.001741	0.001741	0.001673	0.001703	0.001741	0.001741	0.001741	0.001741	0.001741	0.001741	0.001741	0.001741	0.001741	0.001741	er kWh	Apr-13
Number N	40	\$	49	49	44	44	4	49	49	₩	44	40	₩	₩	ĸ	
Mar.	0.001615	0.001615	0.001551	0.001579	0.001615	0.001615	0.001615	0.001615	0.001615	0.001615	0.001615	0.001615	0.001815	0.001615	per kWh	May-13
Mar.	€9	49	₩	4	4	64	64	₩	↔	₩	49	49	4	4	ķ.	
Aug.13 Sep-13 Oct-13 Nov-13 EpcikWh SperikWh SperikWh SperikWh SperikWh SperikWh \$ 0.002462 \$ 0.003830 \$ 0.003800 \$ 0.004372 \$ \$ 0.002462 \$ 0.003830 \$ 0.003890 \$ 0.004372 \$ \$ 0.002462 \$ 0.003830 \$ 0.003890 \$ 0.004372 \$ \$ 0.002462 \$ 0.003830 \$ 0.003890 \$ 0.004372 \$ \$ 0.002462 \$ 0.003830 \$ 0.003890 \$ 0.004372 \$ \$ 0.002462 \$ 0.003830 \$ 0.003890 \$ 0.004372 \$ \$ 0.002462 \$ 0.003830 \$ 0.003890 \$ 0.004372 \$ \$ 0.002462 \$ 0.003830 \$ 0.003890 \$ 0.004372 \$ \$ 0.002462 \$ 0.003830 \$ 0.003890 \$ 0.004372 \$ \$ 0.002462 \$ 0.003830 \$ 0.003890 \$ 0.004372 \$ \$ 0.002462 \$ 0.003830 \$ 0.003890 \$ 0.004372 \$ \$ 0.002462 \$ 0.003830 \$ 0.003890	0.001945	0.001945	0.001868	0.001902	0.001945	0.001945	0.001945	0.009145	0.001945	0.001945	0.001945	0.001945	0.001945	0.001945	Der KW/h	Jun-13
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Sep-13 Oet-13 Nov-13 Nov-13 \$ 0.00380 \$ 0.00380 \$ 0.00380 \$ 0.004372 \$ 0.003830 \$ 0.003880 \$ 0.004372 \$ 0.004372 \$ 0.003830 \$ 0.003880 \$ 0.004372 \$ 0.004372 \$ 0.003830 \$ 0.003880 \$ 0.004372 \$ 0.004372 \$ 0.003830 \$ 0.003880 \$ 0.004372 \$ 0.004372 \$ 0.003830 \$ 0.003880 \$ 0.004372 \$ 0.004372 \$ 0.003830 \$ 0.003880 \$ 0.004372 \$ 0.004372 \$ 0.003830 \$ 0.003880 \$ 0.004372 \$ 0.004372 \$ 0.003830 \$ 0.003880 \$ 0.004372 \$ 0.004372 \$ 0.003830 \$ 0.003880 \$ 0.004372 \$ 0.004372 \$ 0.003830 \$ 0.003880 \$ 0.004372 \$ 0.004372 \$ 0.003830 \$ 0.003880 \$ 0.004372 \$ 0.004372 \$ 0.003830 \$ 0.003880 \$ 0.004372 \$ 0.004372	49	€\$	4	₩	₩	44	€4	69	€?	æ	₩	4	*	69	M	
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Nov-13 Sperl May 1 \$0.004372 \$	0.003830	0.003830	0.003680	0.003746	0.003630	0.003830	0.003830	0.003830	0.003830	0.003830	0.003830	0.003830	0.003830	0.003830	er KWh	Sep-13
Nov-13 Sperl May 1 \$0.004372 \$	49	44	40	4 0	49	69	49	49	ÇA	ø	40	€9	40	G	į.	
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\$	\$0,004372	\$0,004372	\$0.004200	\$0.004276	\$0.004372	\$0.004372	\$0.004372	\$0.004372	\$0.004372	\$0.004372	\$0.004372	\$0.004372	\$0.004372	\$0,004372	S per kWh	Nov-13
ner kWh 0,004045 0,004045 0,004045 0,004046 0,004046 0,004046 0,004046 0,004046 0,004046 0,004046 0,004046 0,004046	49	67	44	₩	**	69	49	4	44	*	€9	69	€9	⇔	۲	
	0.004045	0.004045	0.003886	0.003956	0.004045	0.004045	0.004045	0.004045	0.004045	0,004045	0.004045	0.004045	0.004045	0.004045	ver kyyh	Dec-13

44	€9	€4	€	49	49	6 4	44	4	64	44	44	69	49	ĸ	
0.003888	0.003868	0.003735	0.003802	0.003888	0.003888	0,003888	0.003888	0.003888	0.003888	0.003888	0.003888	0.003888	0.003888	S per kWh	Jan-14
0.004771	0.004771	0.004584	0.004666	0.004771	0.004771	0.004771	0.004771	0.004771	0.004771	0,004771	0.004771	0.004771	0.004771	S per kWh	Feb-14
0.005477	0.005477	0.005262	0.005357	0.005477	0.005477	0.005477	0.005477	0.005477	0.005477	0.005477	0.005477	0.005477	0.005477	S per kWh	Mar-14
44	44	4	49	49	64	↔	↭	44	#	4	49	44	69	160	
0.005982	0.005982	0.005747	0.005851	0.005982	0.005982	0.005982	0.005982	0.005982	0.005982	0.005982	0.005982	0.005982	0.005982	Sper kWh	Apr-14

Attachment A

